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MEMORANDUM FOR: Director, Office of Strategic Research

SUBJECT : Research on Soviet Motor Vehicle Use
in Support of Trade Control Policy

1. The Ground Forces Branch of OSR appears to have a capability to assist OER in the intelligence support of the Advisory Committee for Export Policy (ACEP). Particular difficulty attends the determination by ACEP of the strategic importance of certain "dual-use" commodities. Dual-use refers to the use of some commodities in both the civilian economy and the military forces. Specific examples of dual-use commodities are trucks, truck components, communications systems, computers, electronic components, video tape recorders, etc.

2. The Operating Committee of ACEP is now considering the request of a US firm for a license to export a \$60 million foundry to the USSR. The foundry would be operated by the ZIL motor vehicle plant to produce engines for trucks, buses and combat vehicles. Most of the output would be allocated to the civilian economy, but some vehicles, particularly all-wheel drive cargo trucks and armored personnel carriers, would go to the military. Moreover, the trucks allocated to the civilian sector appear to have a significant strategic role in the Soviet mobilization plan, as was demonstrated last fall in the mobilization exercise for the invasion of Czechoslovakia.

3. Initially the Operating Committee of ACEP, and, because of the large monetary value of the foundry, probably later ACEP at the Under Secretary level, will require the best possible estimates of the share of ZIL vehicles received by the military forces and the strategic importance of ZIL vehicles received by the civilian sector of the economy. Recent research of the Ground Forces Branch will greatly assist OER in making these estimates.

4. It is proposed that Ground Forces Branch participate with the USSR and Eastern European Industries Branch in a joint OER-OSR study, to be coordinated by OER, which would include the following topics:

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- a. (OER) Output of Soviet vehicles by model and type, 1968
- b. (OER) Deliveries to civilian use and to export
- c. (OSR) Military holdings of motor vehicles, broken down by:
 - 1) Ground Forces
 - 2) Strategic Rocket Forces
 - 3) PVO Strany
 - 4) Airforce
 - 5) Naval
 - 6) Other military
- d. Need of military forces for supplementary vehicles
 - 1) Actual holdings versus Tables of Equipment for military units in various categories of readiness.
 - 2) Supplementary vehicles ordered to military duty from the civilian economy to support Soviet military operations during the invasion of Czechoslovakia
 - (a) Types of civilian trucks sequestered by the military
 - (b) Nature of civil enterprises providing the vehicles

5. This Office is more able to estimate the Soviet motor vehicle production by model than the distribution by model of that output among the various sectors of the economy. Any assistance OSR can provide to estimate the inventory of motor vehicles in the Soviet armed forces, distributed by model, would be of value. Information on replacement policy for Soviet military vehicles would also be of value. The need for the study is immediate, and an early estimate based on currently available data is requested. Other export license requests for

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machinery to produce Soviet trucks are expected soon, and a continuing need for revised and improved estimates is anticipated. [REDACTED]

25X1A9a [REDACTED] USSR and Eastern Europe Industries Branch, is directing the OER effort on this program.

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EDWARD L. ALLEN
Director
Economic Research

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